



# Williams Pacific Ventures II

## Commingled Equity Fund for Urban Real Estate

[www.wpv2.com](http://www.wpv2.com)

# Williams Pacific Ventures II

## Executive Summary

### Concept

- ◆ Invest \$200MM into  $\pm$  20 urban real estate projects to be developed by small-medium sized real estate developers within three years
- ◆ Focus on urban infill projects (residential primarily, office, and mixed use) that are replicable in many locations and that fit with WPV development/investment expertise
- ◆ Fulfill need for intermediary between smaller developers and institutional investors
  - Leverage WPV development/investment experience and knowledge of institutional investor requirements
  - Capitalize on WPV skills relating to deal access, project management, development infrastructure, and local governmental relations
- ◆ Focus on 3-4 attractive geographic markets, using existing infrastructure, and which provide attractive opportunities for WPV product types
- ◆ Provide 18-20% leveraged return within a three- to seven-year period

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## Urban real estate is an attractive investment space because:

- ◆ Good diversification for investment portfolios, given real estate's risk/reward profile
- ◆ Continued strong demand for urban infill real estate development, especially in housing
- ◆ Real estate development has proven exit strategies with relatively predictable returns in reasonable time frames
- ◆ Capital can be deployed rapidly, and current market offers attractive land acquisition opportunities

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## **WPV II is the right team to execute this attractive strategy:**

1. Have extensive relations with small to midsize developers, larger developer partners and redevelopment agencies
2. Have inventory of projects
3. Have experience in developing/investing in primary real estate products
4. Have assessment teams, including market consultants, architects, and builders, capable of quickly understanding project viability
5. Experienced in exploiting development leverage points regarding land acquisition, tax increments, entitlement process, financing structures, etc.
6. Understand institutional investment requirements (reporting/accountability, governance/control, required returns, exit strategies)
7. Have infrastructure in targeted real estate markets

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WPV is targeting the real estate market of Q4 2004 based on land acquisitions starting in Q2 2002

	Q2 2002	Q3 2002	Q4 2002	Q1 2003	Q4 2003	Q4 2004
First Closing	⊗					
Initial Land Deals		● →				
Second Closing		⊗				
Remaining First YR Project Land Deals			● →			
Entitlement Process 1 <sup>st</sup> YR Deals				● →		
Acquired Land for 2 <sup>nd</sup> YR Projects				● →		
Market First YR Deals						⊗

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## Composite Backgrounds

### General Partners

### Special Limited Partners

	<u>B. L. Williams</u>	<u>S. L. Hicks</u>	<u>P. Bynoe</u>	<u>C. Collins</u>
Education	<ul style="list-style-type: none"> <li>◆ Harvard AB,</li> <li>◆ JD, MBA</li> </ul>	<ul style="list-style-type: none"> <li>◆ U.C. Davis AB</li> <li>◆ Stanford Sloan, MS</li> </ul>	<ul style="list-style-type: none"> <li>◆ Harvard AB,</li> <li>◆ JD, MBA</li> </ul>	<ul style="list-style-type: none"> <li>◆ Williams AB</li> <li>◆ Harvard JD</li> </ul>
Work Experience	<ul style="list-style-type: none"> <li>◆ McKinsey</li> <li>◆ Bechtel Group</li> <li>◆ WPV I</li> <li>◆ AMA</li> </ul>	<ul style="list-style-type: none"> <li>◆ Investment Banking Partner (Paine Webber)</li> <li>◆ Private Investing</li> <li>◆ WPV I</li> </ul>	<ul style="list-style-type: none"> <li>◆ McKinsey</li> <li>◆ Real Estate</li> <li>◆ Telecommunications</li> <li>◆ Law Practice</li> </ul>	<ul style="list-style-type: none"> <li>◆ Law Practice</li> <li>◆ Government</li> <li>◆ Real Estate Development (WDG)</li> </ul>
Real Estate/ Investment Experience	<ul style="list-style-type: none"> <li>◆ 22 years</li> </ul>	<ul style="list-style-type: none"> <li>◆ 10 years investment</li> <li>◆ 16 years financing</li> </ul>	<ul style="list-style-type: none"> <li>◆ 22 years</li> </ul>	<ul style="list-style-type: none"> <li>◆ 21 years</li> </ul>

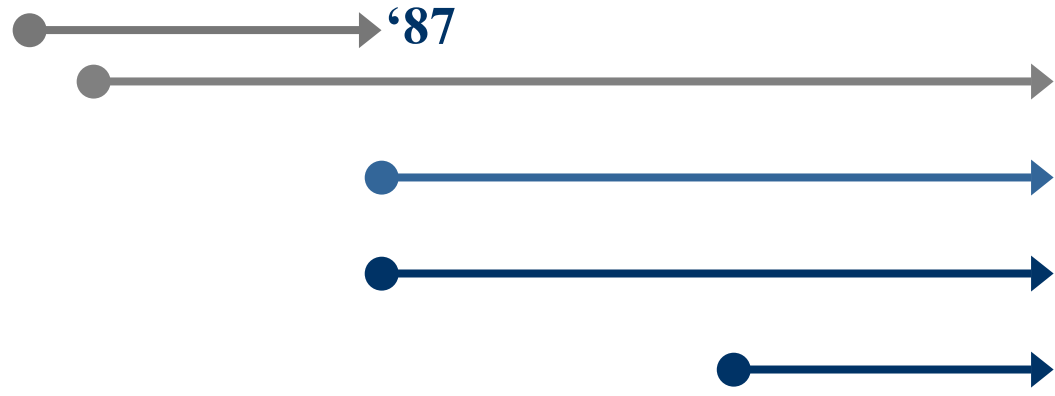
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## Real Estate Experience

1980                      1985                      1990                      1995                      2000

### B. L. Williams

- ◆ Bechtel Group
- ◆ Rehabs/JV with Telemat/  
LP Investor
- ◆ WDG Investment (GP)  
Fund Partner
- ◆ WPV Investor/Developer  
(Project G.P.)
- ◆ Newhall Land Director



### S. L. Hicks

- ◆ 1B Real Estate Finance
- ◆ WPV Investor/ Developer  
(Project G.P.)



### C. Collins

- ◆ WDG Inc.
- ◆ WDG Seed Fund Partner



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- ◆ Kofi Bonner AD Former Chief of Econ. Development - SF
- ◆ William Bradford AD Prof. Finance/Econ. Dev. UW, GSB
- ◆ Peter Bynoe SLP Law Partner, Rudnick and Wolfe
- ◆ Charles Collins SLP Chairman, President WDG Ventures
- ◆ Jerome Engel AD Dir. Center for Entrepreneurship, UCB
- ◆ John French AD Vice Chairman, COO Spieker Properties
- ◆ Earle Goode AD Former President GTE Information Services
- ◆ Arnold Grisham SLP Former EVP Wells Fargo; M/D Korn Ferry
- ◆ John Larson AD Current VC; Former McKinsey Partner
- ◆ Tom Lee AD Retired Chairman, Newhall Land & Farming
- ◆ Ed Schmidt SLP Retired General Counsel, USA Group
- ◆ Charles Shorter Advisor Executive, Ernst & Young, Real Estate Advisory Services

AD Advisory Director

SLP Special Limited Partner

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## Profile of Projects by Year (Requiring \$5-15 MM in Equity)

	Year 1	Year 2	Year 3
<b>Residential</b>	4	3	2
<b>Office</b>	2	3	1
<b>Mixed-use</b>	2	1	2
<b>Totals</b>	8	7	5

<b>California</b> <sup>1</sup>	6	4	2
<b>Chicago</b> <sup>2</sup>	1	2	1
<b>New York</b> <sup>3</sup>	1	1	2
<b>Totals</b>	8	7	5

1 Plus Seattle

2 Plus Detroit, Indianapolis, Cleveland and Milwaukee

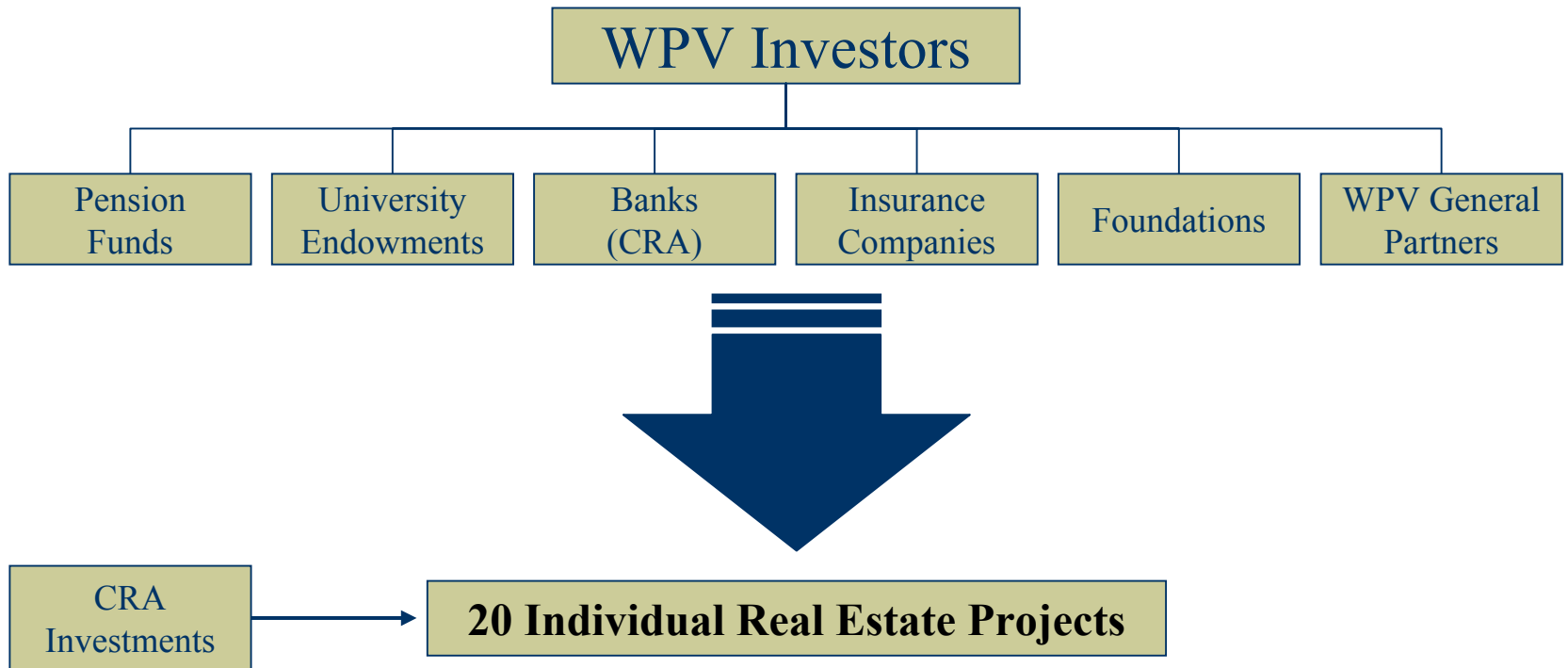
3 Plus Boston and Washington D.C.

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## Operating Mode



# Williams Pacific Ventures II



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## **Sage Real Estate Advice:**

- ◆ Buy at the sound of drums, sell at the sound of trumpets (C. Grigsby 11/15/2001)
- ◆ The best time to buy real estate is the worst time to raise a fund. The best time to raise a fund is the worst time to buy real estate (J. Hagenbuck 10/2001)